

Mexico prior to the enactment of the Environment Law were required to comply with the applicable provisions of the Environment Law by May 25, 1989.

8.2 Environmental impact statement

Environmental impact statements must be filed for a wide range of proposed activities, generally whenever the activity may cause ecological imbalance or exceed the limits and conditions provided for in the ecological technical standards and regulations issued by the federal government.

The Environment Law defines the term "ecological imbalance", as referred to above, as an "alteration of the independent relationships between natural elements which form the environment, and which negatively affects the existence, transformation and development of man and other beings".

The *INECO* has taken the informal position that the best way for a company currently operating or contemplating future operations to ensure compliance with the Environment Law is to file an environmental impact statement. Upon receipt of the statement, the government may authorize the activity, authorize the activity on the condition that changes be made, or deny a licence for the activity.

8.3 Operating licence

All "fixed sources" which emit odours, gases, solid particles or liquid particles into the air, for example all manufacturing plants, including those plants which were functioning prior to the enactment of the Environment Law, must obtain an operating licence from the *Instituto Nacional de Ecología (INECO)*, the National Institute for Ecology. The *INECO* may grant or deny the licence or require modifications to be made to the plant before granting one. Plants are required to file annual reports each February with the *INECO* outlining any changes occurring during the previous year to the level of emissions made by the plant.

8.4 Residual water discharge registration

No wastewater discharges containing pollutants may be discharged into any body of water or into the soil or subsoil without the prior government approval. Approval may be granted on a one-time basis or for a period of time and within certain limitations. Any proposed discharge of wastewater containing hazardous substances is subject to the filing of additional documentation and prior government approval for each such discharge.